AMENDED IN ASSEMBLY MAY 8, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2521

Introduced by Assembly Member Blumenfield

(Coauthor: Senator Price)

February 24, 2012

An act to amend Sections 1984 and 1988 1946, 1946.1, 1950.5, 1983, 1984, 1985, 1987, 1988, and 1990 of the Civil Code, relating to landlord and tenant.

LEGISLATIVE COUNSEL'S DIGEST

AB 2521, as amended, Blumenfield. Landlord and tenant: personal property remaining on premises after termination of tenancy.

Existing law specifies conditions when a written notice of termination of a residential tenancy is required, and specifies when a landlord must provide a written notice to inspect residential property upon termination of a tenancy.

This bill would also require that when these notices are given by the owner, lessor, or landlord, as applicable, that the notice contain an additional specified notice regarding a former tenant's ability to reclaim personal property left by the tenant vacating the real property.

Existing law provides that where personal property remains on the premises after a tenancy has terminated and the premises have been vacated by the tenant, the landlord shall give written notice to the tenant or any other person the landlord reasonably believes is the owner of the property, as specified. Existing law provides a sample notice that complies with this requirement, and which provides, in part, that the statement "Because this property is believed to be worth less than \$300, it may be kept, sold, or destroyed without further notice if you fail to

AB 2521 — 2 —

reclaim it within the time indicated above" or an alternative statement be used in the notice.

This bill would modify one of the statements in the notice to read, "Because this property is believed to be worth less than \$700, it may be kept, sold, or destroyed without further notice if you fail to reclaim it within the time indicated above." The bill would also require the notice to provide that if the property is claimed within 2 days of the date the former tenant vacated the premises, that storage costs may be minimized.

Existing law provides that if the property is not released to the former tenant, as specified, it shall be sold at public sale by competitive bidding. Existing law also provides that if the landlord reasonably believes that the total resale value of the property not released is less than \$300, the landlord may retain the property for his or her own use or dispose of it in any manner.

This bill instead would provide that the landlord may retain the property for his or her own use or dispose of it in any manner if the landlord reasonably believes that the total resale value of the property not released is less than \$700.

Existing law requires that where personal property remains on the premises after a tenancy has terminated and the premises have been vacated by the tenant, the landlord shall give written notice to the tenant and to any other person the landlord reasonably believes to be the owner of the property. Existing law specifies the methods for delivery of the notice.

This bill would additionally authorize the landlord to also send the notice by e-mail if the former tenant provided the landlord with the tenant's e-mail address.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1946 of the Civil Code is amended to 2 read:
- *read:*1946. A hiring of real property, for a term not specified by the
- parties, is deemed to be renewed as stated in Section 1945, at the end of the term implied by law unless one of the parties gives
- 6 written notice to the other of his *or her* intention to terminate the
- 7 same, at least as long before the expiration thereof as the term of

-3- AB 2521

the hiring itself, not exceeding 30 days; provided, however, that as to tenancies from month to month either of the parties may terminate the same by giving at least 30 days' written notice thereof at any time and the rent shall be due and payable to and including the date of termination. It shall be competent for the parties to provide by an agreement at the time-such the tenancy is created that a notice of the intention to terminate the same may be given at any time not less than seven days before the expiration of the term thereof. The notice herein required shall be given in the manner prescribed in Section 1162 of the Code of Civil Procedure or by sending a copy by certified or registered mail addressed to the other party. In addition, the lessee may give such the notice by sending a copy by certified or registered mail addressed to the agent of the lessor to whom the lessee has paid the rent for the month prior to the date of-such the notice or by delivering a copy to the agent personally. The notice given by the lessor shall also contain, in substantially the same form, the following:

"State law permits former tenants to reclaim abandoned personal property left at the former address of the tenant, subject to certain conditions. You may or may not be able to reclaim property without incurring additional costs, depending on the cost of storing the property and the length of time before it is reclaimed. In general, these costs will be lower the sooner you contact your former landlord after being notified that property belonging to you was left behind after you moved out."

SEC. 2. Section 1946.1 of the Civil Code is amended to read: 1946.1. (a) Notwithstanding Section 1946, a hiring of residential real property for a term not specified by the parties, is deemed to be renewed as stated in Section 1945, at the end of the term implied by law unless one of the parties gives written notice to the other of his or her intention to terminate the tenancy, as provided in this section.

(b) An owner of a residential dwelling giving notice pursuant to this section shall give notice at least 60 days prior to the proposed date of termination. A tenant giving notice pursuant to this section shall give notice for a period at least as long as the term of the periodic tenancy prior to the proposed date of termination.

AB 2521 — 4—

(c) Notwithstanding subdivision (b), an owner of a residential dwelling giving notice pursuant to this section shall give notice at least 30 days prior to the proposed date of termination if any tenant or resident has resided in the dwelling for less than one year.

- (d) Notwithstanding subdivision (b), an owner of a residential dwelling giving notice pursuant to this section shall give notice at least 30 days prior to the proposed date of termination if all of the following apply:
- (1) The dwelling or unit is alienable separate from the title to any other dwelling unit.
- (2) The owner has contracted to sell the dwelling or unit to a bona fide purchaser for value, and has established an escrow with a licensed escrow agent, as defined in Sections 17004 and 17200 of the Financial Code, or a licensed real estate broker, as defined in Section 10131 of the Business and Professions Code.
 - (3) The purchaser is a natural person or persons.
- (4) The notice is given no more than 120 days after the escrow has been established.
- (5) Notice was not previously given to the tenant pursuant to this section.
- (6) The purchaser in good faith intends to reside in the property for at least one full year after the termination of the tenancy.
- (e) After an owner has given notice of his or her intention to terminate the tenancy pursuant to this section, a tenant may also give notice of his or her intention to terminate the tenancy pursuant to this section, provided that the tenant's notice is for a period at least as long as the term of the periodic tenancy and the proposed date of termination occurs before the owner's proposed date of termination.
- (f) The notices required by this section shall be given in the manner prescribed in Section 1162 of the Code of Civil Procedure or by sending a copy by certified or registered mail.
- (g) This section may not be construed to affect the authority of a public entity that otherwise exists to regulate or monitor the basis for eviction.
- (h) Any notice given by an owner pursuant to this section shall contain, in substantially the same form, the following:

"State law permits former tenants to reclaim abandoned personal property left at the former address of the tenant, subject to certain

5 AB 2521

conditions. You may or may not be able to reclaim property without incurring additional costs, depending on the cost of storing the property and the length of time before it is reclaimed. In general, these costs will be lower the sooner you contact your former landlord after being notified that property belonging to you was left behind after you moved out."

- SEC. 3. Section 1950.5 of the Civil Code is amended to read: 1950.5. (a) This section applies to security for a rental agreement for residential property that is used as the dwelling of the tenant.
- (b) As used in this section, "security" means any payment, fee, deposit or charge, including, but not limited to, any payment, fee, deposit, or charge, except as provided in Section 1950.6, that is imposed at the beginning of the tenancy to be used to reimburse the landlord for costs associated with processing a new tenant or that is imposed as an advance payment of rent, used or to be used for any purpose, including, but not limited to, any of the following:
- (1) The compensation of a landlord for a tenant's default in the payment of rent.
- (2) The repair of damages to the premises, exclusive of ordinary wear and tear, caused by the tenant or by a guest or licensee of the tenant.
- (3) The cleaning of the premises upon termination of the tenancy necessary to return the unit to the same level of cleanliness it was in at the inception of the tenancy. The amendments to this paragraph enacted by the act adding this sentence shall apply only to tenancies for which the tenant's right to occupy begins after January 1, 2003.
- (4) To remedy future defaults by the tenant in any obligation under the rental agreement to restore, replace, or return personal property or appurtenances, exclusive of ordinary wear and tear, if the security deposit is authorized to be applied thereto by the rental agreement.
- (c) A landlord may not demand or receive security, however denominated, in an amount or value in excess of an amount equal to two months' rent, in the case of unfurnished residential property, and an amount equal to three months' rent, in the case of furnished residential property, in addition to any rent for the first month paid on or before initial occupancy.

AB 2521 -6-

This subdivision does not prohibit an advance payment of not less than six months' rent if the term of the lease is six months or longer.

This subdivision does not preclude a landlord and a tenant from entering into a mutual agreement for the landlord, at the request of the tenant and for a specified fee or charge, to make structural, decorative, furnishing, or other similar alterations, if the alterations are other than cleaning or repairing for which the landlord may charge the previous tenant as provided by subdivision (e).

- (d) Any security shall be held by the landlord for the tenant who is party to the lease or agreement. The claim of a tenant to the security shall be prior to the claim of any creditor of the landlord.
- (e) The landlord may claim of the security only those amounts as are reasonably necessary for the purposes specified in subdivision (b). The landlord may not assert a claim against the tenant or the security for damages to the premises or any defective conditions that preexisted the tenancy, for ordinary wear and tear or the effects thereof, whether the wear and tear preexisted the tenancy or occurred during the tenancy, or for the cumulative effects of ordinary wear and tear occurring during any one or more tenancies.
- (f) (1) Within a reasonable time after notification of either party's intention to terminate the tenancy, or before the end of the lease term, the landlord shall notify the tenant in writing of his or her option to request an initial inspection and of his or her right to be present at the inspection. The requirements of this subdivision do not apply when the tenancy is terminated pursuant to subdivision (2), (3), or (4) of Section 1161 of the Code of Civil Procedure. At a reasonable time, but no earlier than two weeks before the termination or the end of lease date, the landlord, or an agent of the landlord, shall, upon the request of the tenant, make an initial inspection of the premises prior to any final inspection the landlord makes after the tenant has vacated the premises. The purpose of the initial inspection shall be to allow the tenant an opportunity to remedy identified deficiencies, in a manner consistent with the rights and obligations of the parties under the rental agreement, in order to avoid deductions from the security. If a tenant chooses not to request an initial inspection, the duties of the landlord under this subdivision are discharged. If an inspection is requested, the parties shall attempt to schedule the inspection at a mutually

7 AB 2521

acceptable date and time. The landlord shall give at least 48 hours' prior written notice of the date and time of the inspection if either a mutual time is agreed upon, or if a mutually agreed time cannot be scheduled but the tenant still wishes an inspection. The tenant and landlord may agree to forgo the 48-hour prior written notice by both signing a written waiver. The landlord shall proceed with the inspection whether the tenant is present or not, unless the tenant previously withdrew his or her request for the inspection. Written notice by the landlord shall contain, in substantially the same form, the following:

1 2

"State law permits former tenants to reclaim abandoned personal property left at the former address of the tenant, subject to certain conditions. You may or may not be able to reclaim property without incurring additional costs, depending on the cost of storing the property and the length of time before it is reclaimed. In general, these costs will be lower the sooner you contact your former landlord after being notified that property belonging to you was left behind after you moved out."

- (2) Based on the inspection, the landlord shall give the tenant an itemized statement specifying repairs or cleaning that are proposed to be the basis of any deductions from the security the landlord intends to make pursuant to paragraphs (1) to (4), inclusive of subdivision (b). This statement shall also include the texts of paragraphs (1) to (4), inclusive, of subdivision (b). The statement shall be given to the tenant, if the tenant is present for the inspection, or shall be left inside the premises.
- (3) The tenant shall have the opportunity during the period following the initial inspection until termination of the tenancy to remedy identified deficiencies, in a manner consistent with the rights and obligations of the parties under the rental agreement, in order to avoid deductions from the security.
- (4) Nothing in this subdivision shall prevent a landlord from using the security for deductions itemized in the statement provided for in paragraph (2) that were not cured by the tenant so long as the deductions are for damages authorized by this section.
- (5) Nothing in this subdivision shall prevent a landlord from using the security for any purpose specified in paragraphs (1) to (4), inclusive, of subdivision (b) that occurs between completion

AB 2521 —8—

of the initial inspection and termination of the tenancy or was not identified during the initial inspection due to the presence of a tenant's possessions.

- (g) (1) No later than 21 calendar days after the tenant has vacated the premises, but not earlier than the time that either the landlord or the tenant provides a notice to terminate the tenancy under Section 1946 or 1946.1, Section 1161 of the Code of Civil Procedure, or not earlier than 60 calendar days prior to the expiration of a fixed-term lease, the landlord shall furnish the tenant, by personal delivery or by first-class mail, postage prepaid, a copy of an itemized statement indicating the basis for, and the amount of, any security received and the disposition of the security and shall return any remaining portion of the security to the tenant.
- (2) Along with the itemized statement, the landlord shall also include copies of documents showing charges incurred and deducted by the landlord to repair or clean the premises, as follows:
- (A) If the landlord or landlord's employee did the work, the itemized statement shall reasonably describe the work performed. The itemized statement shall include the time spent and the reasonable hourly rate charged.
- (B) If the landlord or landlord's employee did not do the work, the landlord shall provide the tenant a copy of the bill, invoice, or receipt supplied by the person or entity performing the work. The itemized statement shall provide the tenant with the name, address, and telephone number of the person or entity, if the bill, invoice, or receipt does not include that information.
- (C) If a deduction is made for materials or supplies, the landlord shall provide a copy of the bill, invoice, or receipt. If a particular material or supply item is purchased by the landlord on an ongoing basis, the landlord may document the cost of the item by providing a copy of a bill, invoice, receipt, vendor price list, or other vendor document that reasonably documents the cost of the item used in the repair or cleaning of the unit.
- (3) If a repair to be done by the landlord or the landlord's employee cannot reasonably be completed within 21 calendar days after the tenant has vacated the premises, or if the documents from a person or entity providing services, materials, or supplies are not in the landlord's possession within 21 calendar days after the tenant has vacated the premises, the landlord may deduct the amount of a good faith estimate of the charges that will be incurred and

-9- AB 2521

provide that estimate with the itemized statement. If the reason for the estimate is because the documents from a person or entity providing services, materials, or supplies are not in the landlord's possession, the itemized statement shall include the name, address, and telephone number of the person or entity. Within 14 calendar days of completing the repair or receiving the documentation, the landlord shall complete the requirements in paragraphs (1) and (2) in the manner specified.

- (4) The landlord need not comply with paragraph (2) or (3) if either of the following apply:
- (A) The deductions for repairs and cleaning together do not exceed one hundred twenty-five dollars (\$125).
- (B) The tenant waived the rights specified in paragraphs (2) and (3). The waiver shall only be effective if it is signed by the tenant at the same time or after a notice to terminate a tenancy under Section 1946 or 1946.1 has been given, a notice under Section 1161 of the Code of Civil Procedure has been given, or no earlier than 60 calendar days prior to the expiration of a fixed-term lease. The waiver shall substantially include the text of paragraph (2).
- (5) Notwithstanding paragraph (4), the landlord shall comply with paragraphs (2) and (3) when a tenant makes a request for documentation within 14 calendar days after receiving the itemized statement specified in paragraph (1). The landlord shall comply within 14 calendar days after receiving the request from the tenant.
- (6) Any mailings to the tenant pursuant to this subdivision shall be sent to the address provided by the tenant. If the tenant does not provide an address, mailings pursuant to this subdivision shall be sent to the unit that has been vacated.
- (h) Upon termination of the landlord's interest in the premises, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord or the landlord's agent shall, within a reasonable time, do one of the following acts, either of which shall relieve the landlord of further liability with respect to the security held:
- (1) Transfer the portion of the security remaining after any lawful deductions made under subdivision (e) to the landlord's successor in interest. The landlord shall thereafter notify the tenant by personal delivery or by first-class mail, postage prepaid, of the transfer, of any claims made against the security, of the amount of the security deposited, and of the names of the successors in

AB 2521 — 10—

1 2

interest, their address, and their telephone number. If the notice to the tenant is made by personal delivery, the tenant shall acknowledge receipt of the notice and sign his or her name on the landlord's copy of the notice.

- (2) Return the portion of the security remaining after any lawful deductions made under subdivision (e) to the tenant, together with an accounting as provided in subdivision (g).
- (i) Prior to the voluntary transfer of a landlord's interest in the premises, the landlord shall deliver to the landlord's successor in interest a written statement indicating the following:
 - (1) The security remaining after any lawful deductions are made.
- (2) An itemization of any lawful deductions from any security
- (3) His or her election under paragraph (1) or (2) of subdivision (h).

This subdivision does not affect the validity of title to the real property transferred in violation of this subdivision.

(j) In the event of noncompliance with subdivision (h), the landlord's successors in interest shall be jointly and severally liable with the landlord for repayment of the security, or that portion thereof to which the tenant is entitled, when and as provided in subdivisions (e) and (g). A successor in interest of a landlord may not require the tenant to post any security to replace that amount not transferred to the tenant or successors in interest as provided in subdivision (h), unless and until the successor in interest first makes restitution of the initial security as provided in paragraph (2) of subdivision (h) or provides the tenant with an accounting as provided in subdivision (g).

This subdivision does not preclude a successor in interest from recovering from the tenant compensatory damages that are in excess of the security received from the landlord previously paid by the tenant to the landlord.

Notwithstanding this subdivision, if, upon inquiry and reasonable investigation, a landlord's successor in interest has a good faith belief that the lawfully remaining security deposit is transferred to him or her or returned to the tenant pursuant to subdivision (h), he or she is not liable for damages as provided in subdivision (l), or any security not transferred pursuant to subdivision (h).

(k) Upon receipt of any portion of the security under paragraph (1) of subdivision (h), the landlord's successors in interest shall

-11- AB 2521

have all of the rights and obligations of a landlord holding the security with respect to the security.

- (1) The bad faith claim or retention by a landlord or the landlord's successors in interest of the security or any portion thereof in violation of this section, or the bad faith demand of replacement security in violation of subdivision (j), may subject the landlord or the landlord's successors in interest to statutory damages of up to twice the amount of the security, in addition to actual damages. The court may award damages for bad faith whenever the facts warrant that award, regardless of whether the injured party has specifically requested relief. In any action under this section, the landlord or the landlord's successors in interest shall have the burden of proof as to the reasonableness of the amounts claimed or the authority pursuant to this section to demand additional security deposits.
- (m) No lease or rental agreement may contain any provision characterizing any security as "nonrefundable."
- (n) Any action under this section may be maintained in small claims court if the damages claimed, whether actual or statutory or both, are within the jurisdictional amount allowed by Section 116.220 or 116.221 of the Code of Civil Procedure.
- (o) Proof of the existence of and the amount of a security deposit may be established by any credible evidence, including, but not limited to, a canceled check, a receipt, a lease indicating the requirement of a deposit as well as the amount, prior consistent statements or actions of the landlord or tenant, or a statement under penalty of perjury that satisfies the credibility requirements set forth in Section 780 of the Evidence Code.
- (p) The amendments to this section made during the 1985 portion of the 1985–86 Regular Session of the Legislature that are set forth in subdivision (e) are declaratory of existing law.
- (q) The amendments to this section made during the 2003 portion of the 2003–04 Regular Session of the Legislature that are set forth in paragraph (1) of subdivision (f) are declaratory of existing law.
 - SEC. 4. Section 1983 of the Civil Code is amended to read:
- 1983. (a) Where personal property remains on the premises after a tenancy has terminated and the premises have been vacated by the tenant, the landlord shall give written notice to the tenant and to any other person the landlord reasonably believes to be the

AB 2521 — 12 —

owner of the property. If the property consists of records, the tenant shall be presumed to be the owner of the records for the purposes of this chapter.

- (b) The notice shall describe the property in a manner reasonably adequate to permit the owner of the property to identify it. The notice may describe all or a portion of the property, but the limitation of liability provided by Section 1989 does not protect the landlord from any liability arising from the disposition of property not described in the notice except that a trunk, valise, box, or other container which is locked, fastened, or tied in a manner which deters immediate access to its contents may be described as such without describing its contents. The notice shall advise the person to be notified that reasonable costs of storage may be charged before the property is returned, where the property may be claimed, and the date before which the claim must be made. The date specified in the notice shall be a date not less than 15 days after the notice is personally delivered or, if mailed, not less than 18 days after the notice is deposited in the mail.
- (c) The notice shall be personally delivered to the person to be notified or sent by first-class mail, postage prepaid, to the person to be notified at his or her last known address and, if there is reason to believe that the notice sent to that address will not be received by that person, also to any other address known to the landlord where the person may reasonably be expected to receive the notice. If the notice is sent by mail to the former tenant, one copy shall be sent to the premises vacated by the tenant. If the former tenant provided the landlord with the tenant's e-mail address, the landlord may also send the notice by e-mail.

SECTION 1.

SEC. 5. Section 1984 of the Civil Code is amended to read:

1984. (a) A notice given to the former tenant which is in substantially the following form satisfies the requirements of Section 1983:

33
34
35

	Notice of Right to Reclaim Abandoned Property				
То:					
	(Name of former tenant)				
	(Address of former tenant)				

-13 - AB 2521

	rated the premises at,		
(Address of premises, including room or apartment number, if any)			
the following pe	rsonal property remained:		
	(Insert description of the personal property)		
You may claim t	this property at		
	(Address where property may be claimed)		
If you claim this property by (insert date not less than 2 days after the			
former tenant va	acated the premises), you may minimize the costs of storage.		
	il to claim this property by (insert date not less than 2		
days after the former tenant vacated the premises), unless you pay the			
	nable cost of storage for all the above-described property, and		
-	of the property which you claim, not later than (insert		
	n 15 days after notice is personally delivered or, if mailed, not		
less than 18 days after notice is deposited in the mail) this property may be			
disposed of pursuant to Civil Code Section 1988.			
(Insert here the	e statement required by subdivision (b) of this section)		
D. C. I.			
Dated:	(Signature of landlord)		
	(Signature of fandiord)		
	(Type or print name of landlord)		
	(Type of print name of fandiord)		
	(Telephone number)		
	(Telephone number)		
	(Address)		
	(

(b) The notice set forth in subdivision (a) shall also contain one of the following statements:

(1) "If you fail to reclaim the property, it will be sold at a public sale after notice of the sale has been given by publication. You have the right to bid on the property at this sale. After the property is sold and the cost of storage, advertising, and sale is deducted, the remaining money will be paid over to the county. You may claim the remaining money at any time within one year after the county receives the money."

AB 2521 —14—

1 2	(2) "Because this property is believed to be worth less that \$700, it may be kept, sold, or destroyed without further notice you fail to reclaim it within the time indicated above." SEC. 6. Section 1985 of the Civil Code is amended to read:				
3					
4					
5	1985. A notice which is in substantially the following form				
6	given to a person (other than the former tenant) the landle				
7	reasonably believes to be the owner of personal property satisf				
8	the requirements of Section 1983:				
9					
10	Notice of Right to Reclaim Abandoned Property				
11					
12	To:				
13	(Name)				
14					
15	(Address)				
16	When vacated the premises at				
17 18	(name of former tenant)				
20 21	the following personal property remained:				
(insert description of the personal property)					
22 23 24	If you own any of this property, you may claim it at				
	Unless				
25	(Address-address where property may be claimed)				
26	If you claim this property by (insert date not less than 2 days after th	e			
27	former tenant vacated the premises), you may minimize the costs of storag	e.			
28	If you fail to claim this property by (insert date not less than 2 days af				
29	the former tenant vacated the premises), unless you pay the landlor	d's			
30	reasonable cost of storage and take possession of the property to which you				
31	are entitled not later than (insert date not less than				
32	days after notice is personally delivered or, if mailed, not less than 18 days				
33	after notice is deposited in the mail) this property may be disposed of pursuant				
34	to Civil Code Section 1988.				
35					
36	Dated:				
37	(Signature of landlord)				
38					
39	(Type or print name of landlord)				

—15 — AB 2521

1 (Telephone number)
3 (Address)

- SEC. 7. Section 1987 of the Civil Code is amended to read:
- 1987. (a) The personal property described in the notice shall be released by the landlord to the former tenant or, at the landlord's option, to any person reasonably believed by the landlord to be its owner if—such that tenant or other person pays the reasonable cost of storage and takes possession of the property not later than the date specified in the notice for taking possession.
- (b) Where personal property is not released pursuant to subdivision (a) and the notice stated that the personal property would be sold at a public sale, the landlord shall release the personal property to the former tenant if he *or she* claims it prior to the time it is sold and pays the reasonable cost of storage, advertising, and sale incurred prior to the time the property is withdrawn from sale.
- (c) Notwithstanding subdivision (a), the landlord shall release the personal property described in the notice to the former tenant and shall not require the former tenant to pay the cost of storage if the property remained in the dwelling and the former tenant or other person reasonably believed by the landlord to be its owner reclaims the property within two days of vacating the dwelling.

SEC. 2.

- SEC. 8. Section 1988 of the Civil Code is amended to read:
- 1988. (a) If the personal property described in the notice is not released pursuant to Section 1987, it shall be sold at public sale by competitive bidding. However, if the landlord reasonably believes that the total resale value of the property not released is less than seven hundred dollars (\$700), the landlord may retain the property for his or her own use or dispose of it in any manner. Nothing in this section shall be construed to preclude the landlord or tenant from bidding on the property at the public sale.
- (b) Notice of the time and place of the public sale shall be given by publication pursuant to Section 6066 of the Government Code in a newspaper of general circulation published in the county where the sale is to be held. The last publication shall be not less than five days before the sale is to be held. The notice of the sale shall

AB 2521 —16—

1 2

not be published before the last of the dates specified for taking possession of the property in any notice given pursuant to Section 1983. The notice of the sale shall describe the property to be sold in a manner reasonably adequate to permit the owner of the property to identify it. The notice may describe all or a portion of the property, but the limitation of liability provided by Section 1989 does not protect the landlord from any liability arising from the disposition of property not described in the notice, except that a trunk, valise, box, or other container which is locked, fastened, or tied in a manner which deters immediate access to its contents may be described as such without describing its contents.

- (c) After deduction of the costs of storage, advertising, and sale, any balance of the proceeds of the sale which is not claimed by the former tenant or an owner other than such tenant shall be paid into the treasury of the county in which the sale took place not later than 30 days after the date of sale. The former tenant or other owner may claim the balance within one year from the date of payment to the county by making application to the county treasurer or other official designated by the county. If the county pays the balance or any part thereof to a claimant, neither the county nor any officer or employee thereof is liable to any other claimant as to the amount paid.
 - SEC. 9. Section 1990 of the Civil Code is amended to read:
- 1990. (a) Costs of storage which may be required to be paid under this chapter shall be assessed in the following manner:
- (1) Where a former tenant claims property pursuant to Section 1987, he *or she* may be required to pay the reasonable costs of storage for all the personal property remaining on the premises at the termination of the tenancy which are unpaid at the time the claim is made.
- (2) Where an owner other than the former tenant claims property pursuant to Section 1987, he *or she* may be required to pay the reasonable costs of storage for only the property in which he *or she* claims an interest.
- (b) In determining the costs to be assessed under subdivision (a), the landlord shall not charge more than one person for the same costs.
- (c) If the landlord stores the personal property on the premises, the cost of storage shall be the fair rental value of the space reasonably required for such that storage for the term of the storage.

—17 — AB 2521

- 1 Costs shall not be assessed if the former tenant reclaims property
- 2 stored on the premises within two days of having vacated the
- 3 premises.